

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)	
CORPORATION FOR A GENERAL ADJUSTMENT)	CASE NO. 2011-00036
IN RATES)	

O R D E R

On December 5, 2011, Big Rivers Electric Corporation ("Big Rivers") filed a petition, pursuant to KRS 278.400, requesting the Commission grant a rehearing of its November 17, 2011 Order authorizing Big Rivers to increase its electric rates by \$26,744,776. Big Rivers raises the following four issues on rehearing:

1. The disallowance of Big Rivers' adjustment to recover rate case expenses.
2. A mathematical miscalculation of Big Rivers' depreciation adjustment related to construction work in progress.
3. The exclusion of construction work in progress from Big Rivers' depreciation adjustment.
4. The finding that the financial model relied upon by Big Rivers during the Unwind Transaction did not include any Smelter TIER revenues, and any other findings that the Commission deems appropriate to change if this finding relating to the financial model is eliminated.

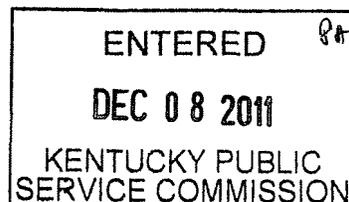
Based on the petition for rehearing and being otherwise sufficiently advised, the Commission finds that Big Rivers has raised legitimate issues regarding the accuracy and appropriateness of certain findings and conclusions set forth in our November 17, 2011

Order approving new rates. The Commission will now grant rehearing to consider these issues and determine whether or not the November 17, 2011 Order should be modified or amended. The Commission will require Big Rivers to file by January 5, 2012 direct testimony in verified prepared form in support of its issues on rehearing. Within 10 days thereafter the Commission will convene an informal conference to establish a detailed rehearing procedural schedule providing for discovery, intervenor testimony, and a hearing.

IT IS THEREFORE ORDERED that:

1. Big Rivers' petition for rehearing is granted.
2. Big Rivers shall file direct testimony in verified prepared form in support of its rehearing issues no later than January 5, 2012.

By the Commission



ATTEST:



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